

**THE EFFECT OF CORPORATE SOCIAL RESPONSIBILITY ON
BUILDING BRAND EQUITY: A CASE OF AMHARA BANK S.C**



**A THESIS SUBMITTED IN PARTIAL FULFILMENT OF THE
REQUIREMENTS FOR THE DEGREE OF MASTER OF BUSINESS
ADMINISTRATION IN MARKETING MANAGEMENT**

HAWASSA UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

DEPARTMENT OF MANAGEMENT

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MARCH, 2024

HAWASSA, ETHIOPIA

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MASTER OF BUSINESS ADMINISTRATION (MBA) SPECIALIZATION
IN MARKETING MANAGEMENT**

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DECLARATION

I hereby declare that the thesis entitled The Effect of Corporate Social Responsibility on Building Brand Equity: A Case of Amhara Bank.

Submitted to the School of Management and Accounting, Hawassa University for the award of the Degree of Masters of Business Administration with specialization in Marketing Management is based on my original research work carried out by me myself under the supervision and guidance of Legesse G. (Ph.D.) and Gizaw B. (M.A). This work has not been submitted earlier in full or in a part thereof, for the award of other similar degree, Diploma, Fellowship, Associations or any other similar titles to this or any other University or Institution.

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This is to certify that the thesis entitled “**The Effect of Corporate Social Responsibility on Building Brand Equity: A Case of Amhara Bank S.C**” submitted in partial fulfilment of the requirements for the degree of Master of Art in Marketing Management, the Graduate Program of the Department of Management, and has been carried out by Zinash Moges under our supervision. Therefore, we recommend that the student has fulfilled the requirements and hence hereby can submit the thesis to the Department of Management.

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We, the undersigned, members of the Board of Examiners of the final open defences by: Zinash Moges have read and evaluated her thesis entitled “**The Effect of Corporate Social Responsibility on Building Brand Equity: A Case of Amhara Bank S.C**” and examined the candidate. This is, therefore, to certify that the thesis has been accepted in partial fulfilment of the requirements for the degree. We the undersigned have agreed to teach the course under the condition stated above

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List of Acronyms

ABa: Amhara Bank

CBE: Commercial Bank of Ethiopia

CSR: Corporate Social Responsibility

CBBE: Customer based brand equity

CBBE: Firm based brand equity

NBE: National Bank of Ethiopia

ANOVA: Analysis of Variance

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ABSTRACT

Corporate Social Responsibility (CSR) has become increasingly important for organizations worldwide as consumers become more socially and environmentally conscious. Amhara Bank has made a deliberate effort to demonstrate leadership in CSR initiatives in the country, and this study was conducted to investigate the effect of CSR practices on building the bank's brand equity. The study used both quantitative and qualitative research methods, and explanatory and descriptive types of research design were employed. The data were collected using interviews and questionnaires. The questionnaire was administered to 371 conveniently selected respondents, and an interview was conducted with all seven staff members of the corporate social service division. The findings of the study revealed that most of the respondents were aware of the CSR practice of the bank. The study also found that the CSR practice of the bank made a significant contribution to the company's brand equity. Moreover, the individual CSR elements such as economic CSR, Legal CSR, Ethical CSR, and Philanthropic CSR practices of the bank o had a significant impact on brand equity. The interview conducted with staff members of the corporate social service division indicated that the bank's CSR practice is a basic strategic objective of the bank and is well-structured. Despite the banks lack of publicity regarding its CSR activities, customers appear to have a general awareness of the bank's CSR programs. To embark on a successful journey towards corporate social responsibility (CSR), the bank needs to improve its CSR policy, guidelines, and procedures. Investing a suitable budget or portion of profits towards Corporate Social Responsibility initiatives is a commendable way to showcase Goodwill towards society. Based on research findings, it is imperative to enhance customers' awareness of ongoing corporate social responsibility (CSR) programs. The study found that the bank's CSR practices are significantly related to its brand equity. The study explored various dimensions and customer-based metrics and found that Philanthropic CSR has the strongest correlation with brand equity. In conclusion, the findings of the study suggest that CSR practices have a positive impact on the bank's brand equity, and the bank must continue to focus on CSR initiatives as a strategic objective. The bank needs to improve its CSR policy, guidelines, and procedures and invest a suitable budget towards CSR activities. The study also suggests that the bank must give more focus and an organized approach to identifying and executing various social and environmental CSR projects.

Key Words: *Corporate social responsibility, brand equity, brand awareness, brandimage, brand credibility, brand feeling, and brand loyalty*

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

The concept of corporate social responsibility has been a topic of interest, research and discussion both by academicians and practitioners over recent years. Moreover, managers of organizations, business leaders and people in top governance have agreed on the importance of corporate social responsibility for sustainability of organizational goals and implementation of their competitive strategy (Idowu, et al, 2017; Caroll, 2016). But single and unified definition of CSR was not found though all scholars and practitioners agree on its central themes such as: responsible behavior, environmental issues, sustainable development and social conduct (Moon, 2014) and more described as charitable giving, strategic philanthropy, community involvement, or cause-related marketing (Lentner, et al, 2016).

One among the many reasons for Organizations to take part in CSR activities is by satisfying customers' needs and wants to build the brand equity of the organization which increases their marketing performance which can be measured through both "financial" or "nonfinancial" metrics (Rahman, 2017).

In banking industry, corporate social responsibility (CSR) is not new concept and it becomes good solution for integrating moral principles in banking activities as a tool of developing positive image, attract employees and customers (Mocan,et al 2015). Banks are operating in environment where different stakeholders interest are changing where apart from profit making by doing businesses by complying to regulatory requirements, managing stakeholder interaction through undertaking of CSR activities become vital (Dorasamy, 2013). Further Banks do practice CSR activities to enhance their brand equity (Hoang, 2014).

Amhara Bank is among the private commercial banks that started its operation a year ago to its mission statement. To provide wide-ranging, accessible, reliable, and innovative financial and non-financial solutions through state-of-the-art technology by competent and ethical professionals in a socially responsible manner with a client-oriented culture. The bank now has about 300 branches all over the country.

The bank has social and economic motives. By selling its shares to as many people as possible it had planned to be peoples' bank. It made the minimum share to be ten, and the price of one is 1000 birr, so the minimum payment to buy shares is 10,000 birr; this price can allow and medium economic class of the society to be a shareholder. By participating in the low and medium economic classes of the society, the bank planned to make much of the society to be stakeholder of the bank, which in return can assist the economic growth of the low and medium classes of the society. The bank collected more than 6 billion in paid-up capital from its shareholders within eight; which is a remarkable success and makes the first bank in Ethiopian private bank formation history to collect this capital within a short period, and the first bank has this huge capital too.

Therefore, this study mainly focuses on the concerns of Amhara Bank on corporate social responsibility which has been undertaken through different activities such as the economic responsibility to make money, the legal responsibility to adhere to rules and regulations the ethical responsibility to do what's right even when not required by the letter or spirit of the law.

The philanthropic responsibility to contribute to society's projects even when they're independent of the particular business.

1.2. Statement of the Problem

The present business scenarios indicate an increased pattern in competition among organizations, and for this reason, involvement in CSR has become vital for strengthening brand equity (Luo & Bhattacharya, 2006). According to Nastu (2009), implementing the appropriate branding strategies and socially responsible marketing events could enable organizations to improve their brand values, and create positive perceptions among employees and business customers. Although CSR has been considered to be an important strategy in the success of businesses, there are only limited researches that tested its role in affecting brand equity, mainly, in Asian service contexts. Jung and Yoon (2012) reported that most of the past studies on CSR were centered on manufacturing sectors, and few contributions were made in service industry settings (Mukherjee & Shivani, 2016). Additionally, Torres et al. (2012) stated that there are few empirical researches that examined CSR and brand equity for international organizations.

According to Yeneneh Tadesse, The World Business Council for Sustainable Development (WBCSD) describes CSR as a contribution to sustainable economic development.

It confirms that there is no way to avoid paying serious attention to corporate social responsibility. To increase customer satisfaction and loyalty it is imperative to offer a variety of products according to the customer's expectations, community, environment, and the people in general. CSR activity in Ethiopia is not well developed in terms of practice as is the case in most African countries context. The practice like many African countries is on the economic aspect of CSR (Mezgebo, 2012).

This approach emphasizes that CSR initiatives should not be viewed as mere philanthropy or charity, but rather as strategic investments that can generate economic returns for the company. By addressing social and environmental issues, businesses can open up new market opportunities, enhance their reputation, improve customer loyalty, attract and retain talent, and mitigate risks. There is a great need to create an understanding of CSR and ethical manners to conduct the business sustainably. In addition, it is not common to find a specific form of corporate social responsibility practices in the developing world. Following Yoon and Chung's (2018) way of investigating CSR effect on stakeholders (individuals/groups who can affect and/or can be affected by what the organization is doing based on integrative perspectives of CSR, this study will investigate how CSR practices of Amhara Bank have affected the Brand equity of the bank.

The practice and study of CSR in Ethiopia is of dearth literature coverage and study (Kassaye, 2016, Dereje, 2017). Following Yoon and Chung (2018) way of investigation on CSR effect on stakeholders (individuals/groups who can affect and/or can be affected what the organization is doing based on integrative perspectives of CSR, this study investigated how CSR practices of AMHARA BANK have affected the Brand equity of the bank.

The study expects to support the view that Amhara Bank is living up to its promise by discharging its responsibility through participating in various CSR activities, which have ultimately helped the bank to improve its brand equity. The study aims to bridge existing gaps by showcasing that fulfilling social and environmental responsibilities is a strategic tool to generate economic returns and achieve sustainable financial soundness and economic viability. There is a need to explore the role of partnerships and collaborations between businesses and stakeholders to promote and implement CSR. This includes examining the effectiveness of these partnerships in achieving CSR goals.

1.2.1 Research Questions

This research gave answers to the following research questions

General Research Question

Does the practice of Corporate Social Responsibility affect the Brand Equity in the case of Amhara Bank?

Specific Research Questions

1. What is the effect of corporate social responsibilities (CSR) on building brand equity of Amhara Bank?
2. How do economic CSR activities affect the brand equity of Amhara Bank?
3. How do Legal CSR activities effect on building the brand equity of Amhara Bank?
4. How do Ethical CSR activities affect the brand equity of Amhara Bank?
5. How do Philanthropic CSR activities undertaken in Amhara Bank affect its brand equity?

1.3 Objectives of the Study

1.3.1 The General Objective of the study

The main objective of the study was to investigate the effect of CSR on Building the brand equity of Amhara Bank

1.3.2 The Specific Objectives of the Study

The specific objectives of the studies were the following:

- To examine the effect of the company's CSR activities on brand awareness.
- To investigate the effect CSR activities of the bank on brand image.
- To examine the effect of the company's CSR activities on brand credibility.
- To investigate the effect CSR activities of the bank on brand feeling.
- To examine the effect of the company's CSR activities on brand loyalty.

1.4. Hypothesis of the study

Based on the literature review and the hypothesized connections presented in the conceptualframework the following hypotheses were tested.

- H0: CSR has a positive impact on Building brand equity.
- H1: Implementation of Economic responsibilities has a positive impact on building brand equity.

- H2: Implementation of Legal responsibilities has a positive impact on building brand equity.
- H3: Implementation of Ethical responsibilities has a positive impact on building brand equity.
- H4: Implementation of Philanthropic responsibilities has positive results on building brand equity.

1.5 Significance of the Study

This study makes a significant contribution to the existing academic knowledge within the field of CSR. In our country, there is a lack of research and understanding regarding the practice of CSR and how it relates to brand equity. Therefore, this study provides an initial understanding of how CSR activities affect a company's brand. The findings of this study will not only help the organization to be successful by indicating how its CSR activities are related to brand equity, but also other similar companies will be able to use this study as a basis for evaluating their current CSR practices. The results of this study have the potential to be used as a starting point for further research in this area, and it will advance the understanding of CSR practices and their impact on brand equity.

This research is of great value to the academic community, the business sector, and society in general, as it highlights the importance of CSR practices in building and maintaining a strong brand equity.

1.6 Scope of the Study

The study on the effect of CSR practices on the brand equity of Amhara (S.C) was focused on the head office and six branches located in Addis Ababa, Hawassa (Hawassa and Arebsefer,) Yirgalem, and Shashemene (Shashemene and Shashemene Arada branches) due to time and budget constraints. While numerous factors can influence brand equity, the study narrowed its scope to CSR practices and brand equity. The study combined both quantitative and qualitative methods to arrive at its conclusions. The results of this study provide a compelling argument for the importance of CSR practices in building brand equity and enhancing customer loyalty.

1.7. Limitation of the Study

This study was conducted to examine the public's perception of Amhara Bank's CSR contributions and its impact on brand equity. The research was carried out on Amhara Bank's head office and branches in Addis Ababa, Hawassa, Yirgalem, and Shashemene, and focused on customers and staff in these locations due to time and budget constraints.

The study found that CSR practices are significantly related to brand equity and corporate image and that customer perception of the organization is influenced by its CSR initiatives. The research sheds light on the importance of CSR in building a positive brand image and enhancing customer loyalty. However, further research is needed to understand the impact of CSR practices on other stakeholders, such as shareholders and employees, as well as to examine the effectiveness of different CSR strategies.

1.8 Operational Definition of Key Terms

CSR - Corporate Social Responsibility: can be seen as a way for a corporation to self-regulate, monitoring its activities to control where it respects the spirit of the law, the ethical standards, and the international norms. An organization must consider the interests of their customers, employees, shareholders, communities, and the ecology and consider the social and environmental consequences of their business activities. By integrating CSR into core business processes and stakeholder management, organizations can achieve the ultimate goal of creating both corporate and social values.

Economic Responsibility: business organizations were producing goods and satisfying customer wants. They were creating new jobs and paying for the workers. Profit was earned for the owner as well as service was given to the customer

Legal Responsibility: Business organizations are not only expected to earn profit but they are also expected to run according to laws and regulations of the state and the local government. As a social responsibility business organizations are expected to operate within the framework of the law.

Ethical Responsibility: is an element of CSR which is not obligatory and are more pragmatic because the owner or the company believes it is a positive thing to do. Being eco- friendly, paying fair wages to the workers are the example of ethical responsibilities.

Business firms are usually encouraged to operate their business according to the law by the ethical responsibility.

Philanthropic responsibility: A type of CSR where a corporation voluntarily donates a portion of its resources to a societal cause.

Strategic CSR: A type of CSR that “supports core business activities and thereby contributes to the firm’s effectiveness in accomplishing its mission it involves the creation of value from both a business and a societal perspective.

Brand: It is the intangible sum of a product’s or service's attributes, its name, packaging and price, its history, reputation, and the way it’s advertised. A brand is also defined by the consumer’s impression of people who use it, as well as their own experience.

Brand Equity: “The differential effect of brand knowledge on consumer response to the marketing of the brand.

Brand Awareness: "Brand Awareness is related to the strength of the brand node or trace in memory, as reflected by the customer's ability to identify the brand under different conditions

Brand Feeling: The brand feelings category is the other category creating brand responses with brand judgments. The brand may help consumers justify their self-worth to others or themselves.

Brand Credibility: the extent to which the brand as a whole is perceived as credible. They categorize brand credibility into three dimensions: (1) expertise, e.g. being competent and innovative, (2) trustworthiness, e.g. being dependable and keeping customer interest in mind, and (3) likability, e.g. being fun, interesting, and worth spending time with.

Brand Image: Brand image is defined as perceptions about a brand as reflected by the brand associations held in customer memory.

Brand Loyalty: “A deeply held commitment to re-buy or re-patronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing”. Brand loyalty is considered to be an important outcome of customer-based brand equity.

1.9. Organization of the Study

This research paper consists of five chapters that cover various aspects related to the impact of Corporate Social Responsibility on brand equity in the case of the Amhara Bank. Chapter One introduces the background of the study, statement of the problem, research question, objective of the study, significance of the study, scope of the study, and the organization of the study. Chapter two explores the related literature review of both theoretical and empirical details. Chapter three describes the research methodology, including the study area, research design, types and sources of data, study population, sample design, methods of data collection, data analysis and presentation, validity test, reliability test, and ethical considerations. Chapter four presents data analysis and interpretation. Finally, chapter five summarizes the findings, draws conclusions, and provides recommendations.

CHAPTER TWO

LITERATURE REVIEW

2. Introduction

This chapter will try to present the components and different definitions of the corporate social responsibility and public perception concept. Further, the relationship and the gaps between these concepts will be identified and described. Finally, the theoretical framework of the research is presented and organized.

2.1. Theoretical Literature review

2.1.1 Corporate Social Responsibility

The CSR has been an issue for number of researchers, consultants, governments, international organizations and even community since 1950s though clear, unbiased and unified definition could not be found for it as it is complex term of assorted meaning (Dahlsrud, 2006 cited in Hoang, 2014, Idowu, 2011). CSR is registered nuance, fashionable word and slippery word getting different meaning to differ users (Rahmi, 2017). The concept and terms of CSR was first appeared in 1953 in the publication of Social Responsibilities of the Businessman, penned by Howard Bowen (Stiftung, 2013). Unlike lack of agreement on its definition, organizations across the globe use the concept as strategies of doing their business in a way that it is ethical, society friendly and beneficial to community in terms of development (Dhingra and Mittal, 2014).

The World Business Council for Sustainable Development (Baker, 2004). defines CSR as "the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large." Both for academics and practitioner's Corporate Social responsibility (CSR) has been an important debatable issue. Lots of researchers try to explain what CSR means, why should companies adopt CSR and what are its advantages for the organizational effectiveness, yet there is no generally acceptable definition and clear meaning for it, how it should be implemented and similar other issues related to the concept. Past research has shown that stakeholders who can influence the organization are primarily concerned than other stakeholders.

That is shareholders are more concerned than customers and employees and there is very little concern given to the society and the environment. Whereas CSR implies all are of equal importance (Crowther & Capaldi, 2008) Crowther and Rayman-Bacchus (2004) defined CSR in two ways firstly as “a relationship between a corporation and the local society in which it resides and operates” and secondly “as relationship between a corporation and its stakeholders” Carroll, 1999 suggested four kinds of social responsibilities that constitute CSR. These are economic, legal, ethical, and philanthropic.

- **Economic Responsibility:** The most common responsibility of business organizations is economic responsibility. Since the establishment of industries, business organizations were producing goods and satisfying customer wants. They were creating new jobs and paying for the workers. Profit was earned for the owner as well as service was given to the customer (Lantos, 2001).
- **Legal Responsibility:** Business organizations are not only expected to earn profit but they are also expected to run according to laws and regulations of the state and the local government. As a social responsibility business organizations are expected to operate within the framework of the law. (Carroll, 1991).
- **Ethical Responsibility:** Ethical responsibilities come after fulfilling the economic and legal responsibilities which are obligatory. Ethical responsibilities are not obligatory and are more pragmatic because the owner or the company believes it is a positive thing to do. Being eco- friendly, paying fair wages to the workers are the example of ethical responsibilities. Business firms are usually encouraged to operate their business according to the law by the ethical responsibility (Carroll, 1991).
- **Philanthropic Responsibility:** Society expects business organizations to be good corporate citizens. This can be done by providing goodwill to the community. Goodwill may include doing charity, social welfare, and offering financial support for non-governmental charity organizations. This responsibility is different from ethical responsibility. The difference is that the effect of philanthropic responsibility can usually go unnoticed. It is just the desire of the society (Carroll, 1991) Figure 2.1 shows the pyramid of CSR (Carroll, 1991).

Corporate social Responsibility theories

There are numerous theories developed for definitions, applications and uses of CSR. In these following pages the four well know theories of CSR named: Instrumental theories, Political theories, Integrative theories and Ethical theories of CSR were discussed (Gariga and Malle, 2004).

CSR theories

There are a variety of theories in the concept of CSR which are designed in different perspectives and which are contradicting each other. In practice, the following theories are frequently studied and adopted for CSR by reputable journals:

2.1.1.1 Instrumental Theories of CSR

This view/ theory was developed on Friedman's (1970) approaches of undertaking CSR for the aim of Profit making or gaining economical advantage or creating wealth. Hence, Companies should use CSR if and only it can bring economic return to its stakeholders (Gariga and Malle, 2004). This economic motive is also called strategic motive/strategic philanthropy companies use for the sake of increasing sales, improve public image, improve workers' morale and to sustain bottom-line of businesses (Yankee, 1996 cited in Carrol and Shwartz, 2003).

2.1.1.2 Political theory of CSR

Political CSR is defined as "activities where CSR has an intended or unintended political impact, or where intended or unintended political impacts on CSR exist" (Frynas and Stephens, 2015). According to Garriga and Mele (2004) this approach focuses on interaction and connection as well as power and position of business organization and society. According to (Nelgade, 2010) cited in Dereje (2017) Political theory of CSR has three main approaches such as corporate constitutionalism, integrative social contract and corporate citizenship, which are directed to different tools.

2.1.1.3 Integrative theory:

This theory was developed on notion of integration/interdependence of business on society for its existence, continuity and growth (Garrigor and Mele, 2004) and has chiefly four approaches named management issue, public responsibility, stakeholder management and corporate social performance, which are aimed to fulfil the social demands.

Stakeholder Theory

Since the 1990s' the stakeholder theory has become famous as a direct alternative and challenge to the shareholder value theory (Freeman, 1984). Stakeholders may be defined as those individuals or groups with which the organization interacts on any level, or any individual or group who may be affected by the actions of the organization. Stakeholder theory, which has been described by Edward Freeman and others, is the mirror image of corporate social responsibility. Primary stakeholders are those such as employees, customers and shareholders, whose involvement in the firm is necessary for survival of the firm. The other groups of stakeholders, who have more of a peripheral involvement, including government and community members, are classed as secondary stakeholders. Stakeholder theory essentially involves protecting the interests of all stakeholders in the organization.

This of course includes maximizing shareholder profit as shareholders are primary stakeholders, and this is consistent with traditional theories of the firm. It also goes beyond this however to include attending the interests and well-being of all groups of stakeholders, including secondary and primary stakeholders. Although there is evidence in previous decades, that (Freeman, 1984)integrate its concept to a strategic management construct. He clearly stated that there are two distinct versions of Stakeholder theory, the first would be an expanded version that includes all the groups that can affect or are affected by the decisions and actions of the company, and the second relates to a narrow version that relies on groups that put something in risk in relation to the company and that are necessary for their survival. In this version, activist groups and the environment are not considered legitimate stakeholders.

The focus of this construct would be the decision-making management directed to the interests of different stakeholders (Fombrun, 2005)also advocate that company can use CSR as a mechanism to signal its positive image to the stakeholders. The concept of CSR has aspects in common with stakeholder theory, as both have underlying moral and ethical principles.

2.1.1.4 Ethical theory of CSR

Ethical theories of corporate social responsibility have fourth group of theories or approaches that focus on the ethical requirements that cement the relationship between business and society. “They are based on principles that express the right thing to do or the necessity to achieve a good society” (Garriga and Mele, 2004).

2.1.2 The Dimensions of CSR

The CSR concept has encompassed a wide range of economic responsibility (to make money), legal responsibility (to adhere to rules and regulations), ethical responsibility (to do what is right) and philanthropic responsibility (to contribute to the society) (discretionary) activities of business performance at a given point in time, without any hierarchic order. Carroll was one of the first researchers who debated and had a big influence on the CSR concept. Carroll, 1991 developed the most known and a leading paradigm of CSR in the management field: The Pyramid of Corporate Social Responsibility (Carroll & Schewartz, 2003) as cited in (Solomon, 2017)). To this day, Carroll’s paradigm remains the most known within business. Entrepreneurs and business organizations main goal is to produce goods and service profitably. Legal responsibility requires that companies while acting in their economic obligations observe laws and regulations. Economic responsibility is to satisfy consumers through high-value products as well as to create enough profits to investors. There are rules and regulations that businesses are required to obey them so they should follow these legal requirements to increase profitability.

Moral responsibility and ethical norms are business practices that are expected to be followed even if they are not codified in law. Philanthropic responsibilities include financial and non-financial assistance to improve the community. It covers the activities of the company that shows the company is like a good citizen. Among cases where companies can have a share in include participation in supporting the arts, education and other sectors that can enhance the quality of life in society.

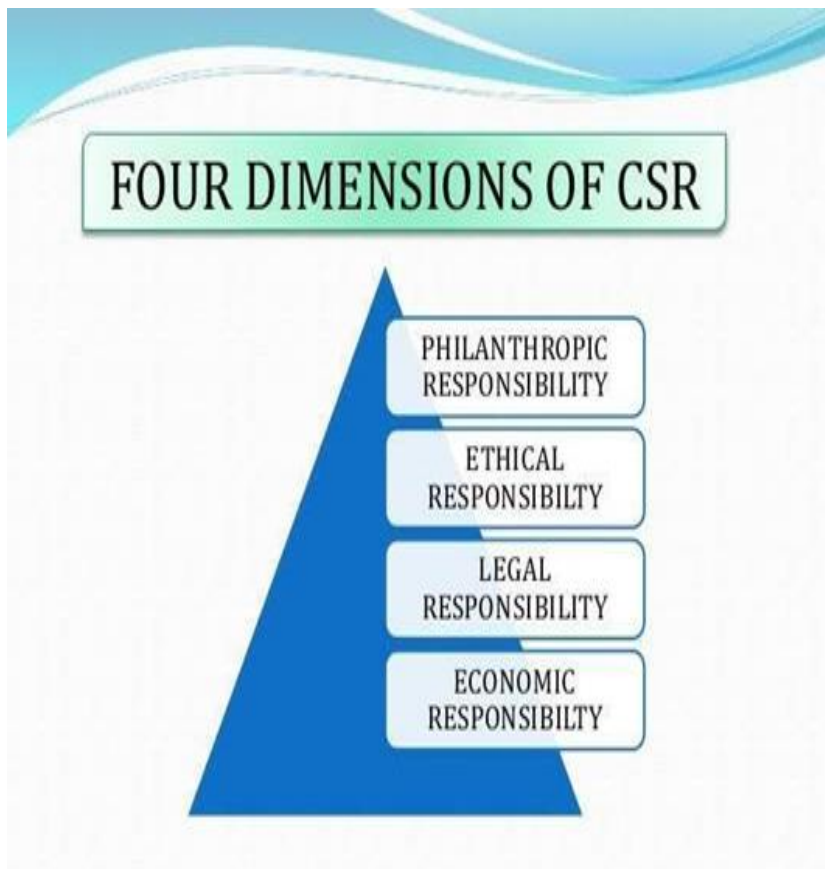
Carroll’s CSR Pyramid model

CSR activity as social responsibility of business involves society’s expectations with regard to organizations in the economic, legal, ethical and discretionary aspects philanthropic at some point in time. (Carroll, 1979).

He also explains the stakeholders have bonds of responsibilities and relationships with CSR activities and a description of the philosophy of these responsibilities. The assumption of Carroll was that the main role of business was to produce goods and services for the society, emphasizing its economic function above all, and prioritize profits without hurting the principles of responsibility. Carroll initially developed the CSR model that contained a three-fold purpose (Carroll, 1991).

To define the essential aspects of CSR, connect them to the relevant social issues and Aid practitioners to choose a responsive corporate philosophy to address those issues. He proposed this definition of CSR and underwrote it in a conceptual model divided into four dimensions: economic, legal, ethical and discretionary responsibilities.

Figure 2.1: Pyramid model of CSR



Source: Carroll, (1991)

Economic responsibility

Corporate Social Responsibility is sine qua none of the existence and sustainability of business Organizations.

According to (Caroll, 2016)“at first, it may seem unusual to think about an economic expectation as a social responsibility, but this is what it is, because, society expects, indeed requires, business organizations to be able to sustain themselves and the only way this is possible is by being profitable and able to incentivize owners or shareholders to invest and have enough resources to continue in operation”. Business organization produces and sells what society needs, whereas society buy and make utility out of the products and services of organizations and making them profitable.

Legal responsibilities

Society expects business organizations works under established minimal ground rule that Include laws and regulations and in effect reflect society’s view of “codified ethics” which brings fairness to society under the established by law of federal, state and local Administrations. Therefore, businesses are expected and required to comply with these laws and regulations as a condition of operating.

Ethical responsibilities:

Besides economical and legal responsibilities, societies require organizations to operate in ethical and moral way embracing norms, standards, values that societies perceived as good. Accordingly, businesses should conduct their affairs in a fair and objective fashion even in those cases when laws do not provide guidance or dictate courses of action (Caroll, 1991)According to (Caroll, 2016)ethical businesses “will be responsible for and responsive to the full range of norms, standards, values, principles, and expectations that reflect and honor what consumers, employees, owners and the community regard as consistent with respect to the protection of stakeholders’ moral rights”.

Philanthropic responsibilities

Enterprises voluntarily assume philanthropic responsibilities in terms of business giving or doing charities to societies using financial and/or non-financial resources. It is voluntary or discretionary activities either in altruistic (based on their good will) or forced concession (voluntarism based on law/by ruling bodies (Caroll, 1991,2016)Moreover, some businesses do give their resources partially out of an ethical motivation when they want do what they perceive right to their society.

Hence, companies engage in a variety of giving forms such as gifts of monetary resources, product and service donations, volunteerism by employees and management, community development and any other discretionary contribution to the community or stakeholder groups that make up the community (Carroll, 2016). Business practices voluntarism when they want expected to be a good corporate citizen, that is, to give back and to contribute financial, physical, and human resources to the communities. This study on the Effects of Corporate Social Responsibility on Building Brand Equity: The case of Amhara Bank will use this theory as it is extensive broad and has numbers of applicability in marketing researches.

Ethical theory of CSR

Ethical theories of corporate social responsibility have fourth group of theories or approaches that focus on the ethical requirements that cement the relationship between business and society. “They are based on principles that express the right thing to do or the necessity to achieve a good society” (Garriga & Mele, 2004). Stakeholder theory, as described by Garriga and Mele (2004), encompasses four different approaches. The first approach, known as the normative stakeholder theory, is based on the idea that stakeholders are individuals or groups with legitimate power and that their interests hold intrinsic value.

The second approach is the theory of universal rights, which sees human rights as the foundation for corporate social responsibility (CSR), particularly in the global marketplace. Garriga and Mele (2004) highlight how this approach places a strong emphasis on upholding and respecting human rights. The third approach is the sustainable development approach, initially focusing on environmental concerns but later expanding to include social development as well. This perspective, also discussed by Garriga and Mele (2004), recognizes the need for businesses to consider the long-term impact of their actions on both the environment and society. The final approach is the common good approach, which argues that businesses should contribute to the overall wellbeing of society since they are an integral part of it. According to Fort (1996, 1999) cited by Mele and Garriga (2004), businesses should not harm society but rather act as positive contributors to social welfare and harmonious living conditions. This approach emphasizes the importance of businesses being beneficial and supportive to the public's well-being, both now and in the future.

2.1.3 The Benefits of Practicing CSR Activities in Organization

According to Hamdar, 2012 Most of the companies implementing CSR activities were seen gaining real and tangible benefits that are in turn had positively impacted its employees and consumers, as well as the community and environment in general ways. Though, implementation of CSR is costly, when a cost-benefit analysis is done the short-term and long-term benefits associated with its implementation are found to offset the costs. On the consequences of employing different CSR programs, there are three views on why and what companies get after participating in CSR.

The first view of CSR is that of 'win-win' approach where companies involved in CSR become good corporate citizen and hence images of the business in the operating environment improves enabling to be profitable in the long run.

2.1.4 Banks and CSR Practices

Despite the fact that CSR is common to all businesses, the banking sectors become the most sensitive to CSR impact, since it is interlinked with numerous and various stakeholders than the majority of other sectors of the economy (Mravlja, 2017).

Besides their day to day operation with integrity and due diligence, banks are increasingly implementing socially responsible activities into their everyday business practices and disclosing information about it and hence are “expected to watch environmental and societal harms that might be inflicted through credits they provide for various projects” (Dereje, 2017) Banks do participate in four CSR activities such as economical, legal, ethical and philanthropic activities to meet needs of its stakeholders .CSR helps banks to increase their profitability, improved reputation, enhance employee motivation, increases financial performance, satisfy their customers, decrease operating costs and to attract better employees .

2.2 Empirical Literature Review

2.2.1 Experience of CSR Practices and Its Impacts

In these days' corporations everywhere are increasingly adopting socially responsible actions, activities, policies and processes under their CSR programs to deliver bottom lines and to address interests of employees, stakeholders, consumers, and for communities' environment and society at large.

Therefore, companies are showing strong commitment to human rights and environmental protection, respecting ethics of the society and develop sustainably through delivery of their products and services. Banking sector has been implementing CSR programs for different purpose such as to increase bank's reputation and brand image, increase financial performance, to get public trust and hence reduce risks, to motivate and attract better employees, to manage their stakeholders properly (used CSR as competitive strategy).

2.2.2 Corporate Social Responsibility Practice in Ethiopia and Ethiopian Banks

Models of corporate social responsibility (CSR) are relatively well defined in developed countries like that in the U.S. and U.K. As the phenomenon of CSR establishes itself more globally, the question arises as it applies to the nature of CSR in other countries. In Ethiopian context the practice like many other African countries is on the economic aspect of the CSR and such emphasis may be at the expense of other dimensions. In such a situation how to reconcile the different components is the major challenges that need to be addressed. As per the discussion of CSR in Ethiopia it is clear that the legal and ethical responsibilities are the least in terms of practice as it is the case in most of African countries context. This is also true in the Ethiopian case.

Consequently, if the desired economic development, and respect for rule of law is to exist concerted efforts in improving the legal infrastructure, good governance and high ethical standards should be in place. In line with this a true government reform, rather than initiatives merely for political and electoral advantage, have to be implemented and they have to be systematic and supported by leadership commitment. "As the informal sector grows and more privatization takes hold, attention to corporate governance issues is expected to increase. At present, the scale of business is too small to warrant attention to corporate governance." (Mezgebo, 2012) The study of CSR in Ethiopian businesses and other organs are at adult age, the practice and assessment are not developed well. Study on CSR under the title: CSR from Ethiopian Perspective by Kassaye was conducted in 2016 and found Ethiopian companies involved in practicing Philanthropic activities of CSR for the purpose of business motive than supporting sustainable development and well-being of society. Further, the researcher viewed CSR from Ethiopian perspective as two-fold.

Firstly, there is the existence of CSR practices (mainly philanthropic) by international companies and NGOs in accordance with the CSR practices experienced in the Western countries whereas, secondly, there is some informal CSR activities” that closely linked to cultural Ethiopian traits found in national companies and organizations of Ethiopia”. Ethiopian banks have started participating in CSR as some of them began reporting it in their annual report. Study by (Dakito, 2017) on the Impact of Corporate Social Responsibility Practices on Financial Performance of Banking Sector in Ethiopia, he found absence of relationship between the two variables.

The noticed problem with CSR practice in Ethiopian banks according to his study was using CSR donation as a means of competition with motive of snatching market share whereas lack of standardized written guideline on how to discharge CSR responsibility and absence full-time employee who work on CSR activities were the weakness revealed.

2.2.3 Brand Equity

2.2.3.1 Concept of Brand equity

According to American Marketing Association (2013), "A brand is a customer experience represented by a collection of images and ideas; often, it refers to a symbol such as a name, logo, slogan, and design scheme. Creating a powerful brand has been considered as an important objective for several firms, because a strong brand name enables them to gain favorable competitive strengths in well-defined target markets over time (Hanaysha, 2016). A brand often includes an explicit logo, fonts, color schemes, symbols, sound which may be developed to represent implicit values, ideas, and even personality." Branding has been in marketing literature for centuries as a means to distinguish the company's goods from competitors” goods (Keller, 2008) in theory, when a marketer creates a logo, name or a new product, that is the birth of a new brand.

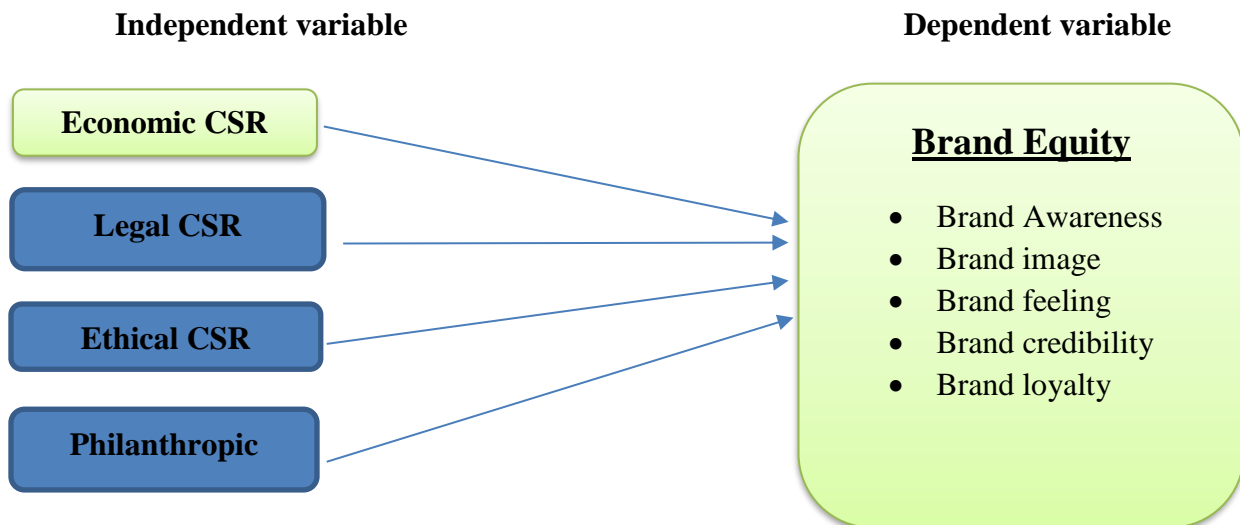
There is no generally accepted definition of brand equity in the marketing literature. However, previous research seems to agree that brand equity describes the added value that a brand brings to a product (Christodoulides & Chernatony, 2010) Keller (2008) pointed out that this added value acts as a bridge connecting what happened to the brand in the past and what will happen in the future. Brand equity is an important marketing factor for a company as it creates a unique and necessary tool to study the relationship between the company and its stakeholders (Christodoulides and Chernatony, 2010).

Brand preference was also described in the literature as attachment of customers toward a specific brand which is based on the protuberant beliefs that are created based on past experience, and the degree to which he or she feels secure by purchasing its offerings rather than those of competitors. Additionally, brand leadership can be defined the perceptions of customers towards the distinct features of a brand that can be seen through persistent merit of brand positioning over time (Zarantonello & Pauwels-Delassu, 2015).

2.3 Conceptual Framework

Based on a general review of relevant literature and theoretical frameworks, this specific study developed the following conceptual model. The model used in the current study provides a unique impact of CSR on building brand equity. The model is being tested in some branches of Amhara Bank. The purpose of this study is to examine the impact of corporate social responsibility on organizational brand equity. In this work, CSR is conceptualized as a branding tool to increase an organization's brand value using approaches from CSR theory.

Figure 2.2. The conceptual framework



Source: Keller and Hoefler brand equity dimensions as adopted by Creel,(2012)

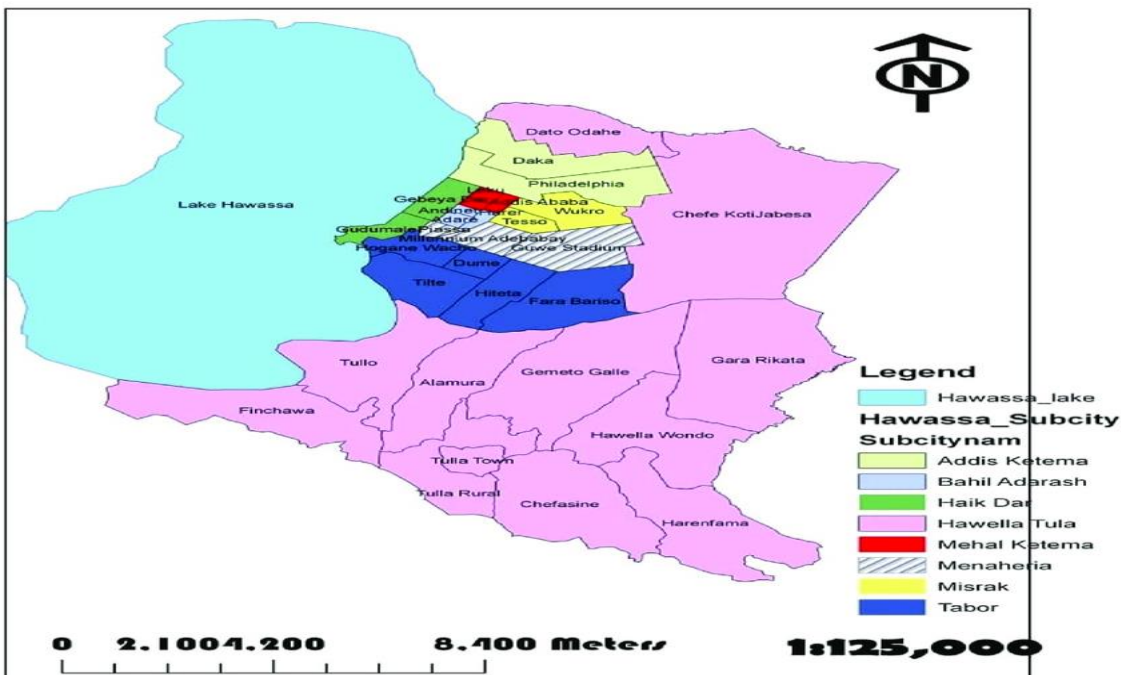
CHAPTER THREE

METHODOLOGY

3.1 Description of the Study Area

The study in question has chosen to focus on six specific branches – Addis Ababa, Hawassa, Areb sefer, Shashemene, Shashemene Arada and Yirgalem - which are located in different towns across Ethiopia. These branches were selected based on their distinctive features, managed under Adama district, and potential to provide valuable insights into the effective utilization of CSR practices for achieving business success. Hawassa, The capital city of Sidama Regional state is situated on the shores of Lake Hawassa. The city is divided into eight sub-cities and 31 Kebeles, with a total population of over 304,000, according to the statistics published by the Plan and Economic Office (PEO) of the Hawassa City Administration (HCA) in 2011. The male-to-female ratio in Hawassa is 1:0.94, making it an interesting case study for examining the impact of CSR practice on building brand equity among different genders.

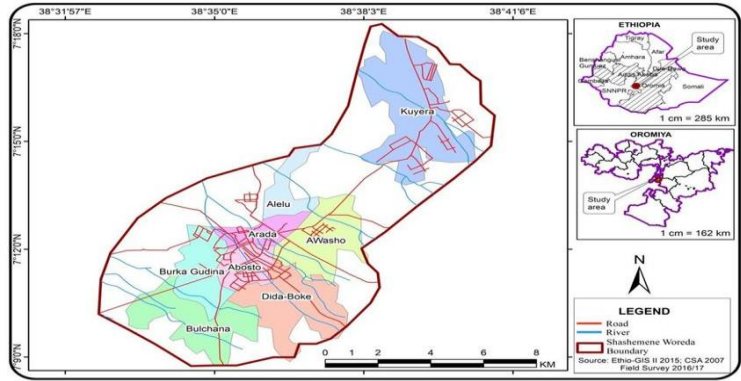
Figure 3.1 Map of Hawassa city



Source: Hawassa city administration. (2011)

Shashemene, on the other hand, is located about 250km south of Addis Ababa and 25km north of Hawassa in the Oromia Region. It is one of the five first-grade towns in the region and has its administrative council. The town had a 2007 Census population of 100,454, and an estimated population of over 200,000 in mid-2022.

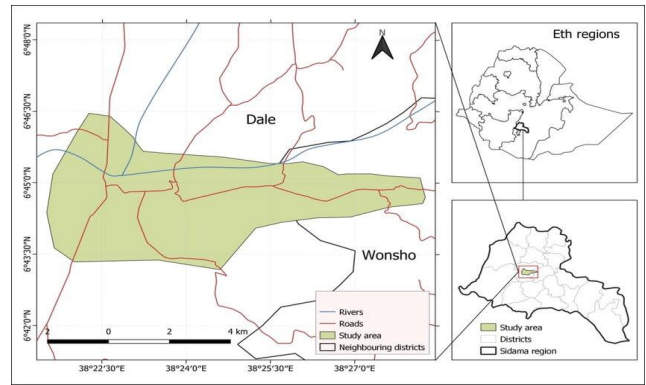
Figure 3.2 Map of Shashemene city



Source: Adopted from Genemo, 2013

Yirgalem town, meanwhile, is currently under the administration of the Sidama Region and has an estimated population of roughly 43,815, according to the Central Statistical Agency of Ethiopia of 2007. It is a small town with unique characteristics that make it an ideal case study for examining the impact of CSR practice on building brand equity in a relatively unexplored market. By examining the CSR practices of these three branches, the study aims to gain valuable insights into how CSR practice can be leveraged to build brand equity, attract socially and environmentally conscious customers, and ultimately, contribute to the success of a company.

Figure 3.3 Map of Yirgalem city



Source: <https://www.researchgate.net/figure/Location-map-study-area-Yirgalem-Town-Ethiopi>

3.2. Research Design

Saunders et al. (2007), define research design as the general plan of how the research questions would be answered. It is the conceptual structure within which research is conducted. It constitutes a blueprint for the collection, measurement, and analysis of data. Since this research was aimed at studying the relationship of dependent and independent variables, an explanatory type of research design for the quantitative data and a descriptive type for the qualitative data were employed. It only focuses on the relationship between the independent variable which is CSR and the dependent variable of brand equity. In one way, the study analyses the existing practice of the company as it is. On the other hand, the researcher assessed and evaluated the practice along with previous knowledge and various related literature in the study area. The primary data was collected by drawing a sample from the target population. Interviews and questionnaires were used to collect the data.

3.3 Research Approach

Two approaches can be employed in research studies namely Quantitative and Qualitative, where one of them is not better than the others, all of this depends on how the researcher wants to do the research of study (Ghauri & Kjell, 2005). To achieve the aforementioned objectives, the study adopted both quantitative and qualitative research approaches. This study employed more of a quantitative case study method to answer the research questions and used some qualitative information to know the current conditions of the bank regarding CSR and customer's perception towards it. The quantitative approach was applied by collecting data using questionnaires from the bank's customers to identify the effect of CSR on building brand equity. In addition, qualitative information was gathered from the organization by undertaking interviews.

3.4 Types and Sources of Data

To get reliable and relevant information both secondary and primary data was used. Primary Data was collected by using different research instruments such as; questionnaires and interviews. The questionnaire and interview questions were adopted from different journals and modified to address the specific research objective of this study. The data collected through the two instruments empirically supported the findings of the study. In order to see the effect of CSR from the customer's perspective the researcher used a questionnaire.

An interview with the concerned department was conducted to assess the CSR application for managing the corporate brand of the bank.

3.5. Target Population

For this research, the target population was the bank customers who approached the bank to use any of the products the bank offers during the data collection period in Addis Ababa, Hawassa, Areb sefer, Shashemene, Shashemene Arada and Yirgalem branches. And interview with the bank's corporate social service manager and six officers was conducted.

3.6. Sample Size and Sampling Technique

The study focused on assessing the effect of CSR on building brand equity in the case of **Amhara Bank**. And were conducted on the six branches with a proportion of their population size.

3.6.1 Sampling Techniques

Multi-stage sampling techniques have been employed for this study. At the first stage, a researcher has selected the Amhara Bank as she has been working in the bank and knows very well about the existing situation regarding corporate social responsibility practices. At the second stage a researcher selected six branches such as Addis Ababa, Hawassa, Shashemene, and Yirgalem. On random sampling technique bases. At the third stage, a researcher has employed lottery sampling techniques to select the sampled respondents.

3.6.2 Sampling Size

After the selection of sampling methods, the next step will be determining the sample size. Because of the large number of sample units, unspecified geographical place of the targeted population, and cost constraint, the Cochran sampling formula was employed to draw the sample from the population. The representative sample size were determine by using the estimation method given by sampling Cochran sampling formula (1963) cited in Israel (2003) as: $n = \frac{1.96^2 \times P \times (1-P)}{e^2}$
n= the sample size that will be drawn

e = level of precision sometimes called sampling error (is the range in which the true value of the population would be estimated.

P= population proportion z= level of confidence: The sample was drawn from maximum variability of the population (P=0.5) with 95%level of confidence with 5% precision level. Therefore; $n = \frac{1.96^2 \times 0.5 \times 0.5}{0.05^2} = 384$ was the predetermined sample size.

3.7. Research Instruments

The primary data collection instruments in this research were structured questionnaires, which contain close-ended questions. The Semi-structured interview questions were also used to triangulate the results which was obtained from the questionnaire. In doing so, the study applied a quantitative approach in nature and collected data through a questionnaire. The questionnaire consists of two parts: Section one deals with the demographic profile of the respondent and Section two is concerned with those factors/ components of CSR (economic, legal, ethical, and philanthropic) and aggregate features of brand equity. A questionnaire consisting of the independent variables and dependent variables was conducted by extracting sources from a few established questionnaires. As the researcher is interested in collecting original data from a population, the population is very big to be observed or interviewed.

Thus, a survey by a questionnaire will be considered the most appropriate method for measuring the perceptions of the customers, while minimizing the possibility of researcher bias and providing a greater degree of subjectivity. The questionnaire used will be clear so that the respondents understand easily and be collected in a short period.\

3.8 Reliability and Validity Test

3.8.1 Reliability test

Reliability can be defined as the extent to which a scale can produce consistent results over time, between different raters or between different subjects (Churchill and Brown, 2007). An internal consistency reliability test is performed and Cronbach alpha coefficients for the instrument are calculated. Cronbach's alpha values range from 0, which means no consistency, to 1, which means perfect consistency. According to Hair et al., (2010) Cronbach's alpha values of 0.80 or higher are considered high reliability, values between 0.70 and 0.80 are good, values between 0.60 and 0.70 are fair, and coefficients below 0.60 are questionable. A pilot study showed that questionnaires designed to collect the desired information must be reliable. In this study the researcher conducted pilot survey by using 37 Customers of the bank. As shown Table 3.1 the Cronbach's alpha values of study variables such as Economic CSR, Ethical CSR, Legal CSR, Philanthropic CSR, and Brand equity, are 0.699, 0.907, 0.876, 0.875 and 0.858 respectively. Thus, all values except Economic CSR are greater than 0.8 and signifies highly reliable the remaining value Economic CSR is between 6 and 7 which is fairly reliable.

Table 3.1 Reliability Test

Variables	Number of items	Cronbach's Alpha	Status of reliability
Economic CSR	5	0.699	Fair
Ethical CSR	4	0.907	High
Legal CSR	3	0.876	High
Philanthropic CSR	4	0.875	High
Brand equity	23	0.858	High

Source: (pilot survey, 2024)

3.8.2 Validity Test

Validity is the precision of a measure or the degree to which research instruments measure what it is supposed to measure (Zikmund and Babin, 2010). Validity is the degree to which the difference found with a measure reflects the true difference between the people being tested. As the variables of this study have previously been validated and used by different researchers as they must be included in the review of the literature. The document covers the relationship between each selected aspect of Brand equity and CSR. In addition, the examination utilized a good tool by (Meyer and Allen, 1997) the surveys were checked and supported by the examiner, so the legitimacy of this tool is dependable.

3.9. Method of Data Analysis

After collecting the data through a questionnaire and interview, a thorough analysis was performed. Analysis of data in this research was done by using statistical tools like regression and correlation models.

Regression techniques were used to analyze how much the independent variable i.e. CSR influences the dependent variable which is brand equity elements. Correlation analysis was also conducted to measure the strength of the association between the practice of corporate social responsibility and brand equity. Interview questions were analyzed qualitatively. Tools like frequency tables and percentage analysis were used to present the data. Data analysis was performed by using SPSS software.

3.9.1 Model Specification

The regression equation that predicts the effect of CSR on consumer perception on building brand equity based on the linear combination of economic, legal, ethical, and philanthropic activities on corporate image is as follows;

$$Y_i = a + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon_i$$

Where Y is the dependent variable (Brand equity)

a is the constant (the value of y when the value of all independent variables is 0)

X1= Economic CSR

X2 = Legal CSR

X3 = Ethical CSR

X4 = Philanthropic CSR

ϵ_i =disturbance term β_1 is the intercept term it gives the mean or average effect on Y if all the

Variables excluded from the equation, although its mechanical interpretation is the average value of Y when stated independent variables are set equal to zero. β_2 , β_3 , β_4 , and β_5 refer to the Coefficient of their respective independent variable, which measure the change in the mean value of Y, per unit change in their respective independent variables (Kothari, 2004).

3.10 Ethical Consideration

The research has followed ethical protocols to ensure the integrity of the data collected. The first and foremost protocol is to obtain explicit consent from the respondents to ensure that their participation is voluntary. This step is crucial to ensure that the respondents are not forced to participate in the study against their will.

To ensure the respondents' comfort and guarantee their transparency in answering the questionnaire, the research team made it clear that the respondents were anonymous, and their answers would be treated confidentially and used solely for the study's purposes. A brief description of the study's purpose was provided to the respondents, and they filled out the questionnaire with informed consent. The presence of the researcher during the distribution and collection of the questionnaire fostered an environment of ease and openness, leading to more candid responses.

To ensure the accuracy and reliability of the collected data, the researcher took steps to confirm the encoding of the survey responses. This was a crucial measure to ensure that the data was correctly recorded and could be analyzed without errors or inconsistencies. By verifying the accuracy of the encoding, the study's results can be trusted and used for meaningful analysis and conclusions.

CHAPTER FOUR

RESULTS AND DISCUSSION

This chapter presents the data analysis and discussion of the research findings. The data analysis was made with the help of Statistical Package for Social Science (SPSS v. 20). The demographic profile of the study sample, their attitude towards the bank's CSR practice, and analysis of its effect on its brand equity through its dimensions have been described using descriptive and inferential statistics. To test the hypothesis and achieve the study objectives, different inferential statistics were employed. Pearson's correlation was used to see the strength of the association between the dependent and independent variables. A linear regression model was also employed to test the hypothesis and achieve the study objective which focuses on examining the impact of the bank's CSR practice on its brand.

By considering some questionnaires might be incomplete and uncollectible, an additional 5% of the sample size that is 19 (5% of 384) questionnaires distributed. To make the collected data suitable for the analysis, all questionnaires were screened to be complete. During the identification of returned questionnaires 23 incomplete questionnaires were identified and discarded and 9 questionnaires with some missing values were identified by the system (SPSS). Therefore; out of 403 distributed questionnaires, a 92% (371) response rate was obtained and found to be valid and used for the final analysis and 8% (32) questionnaires were considered as errors and removed from the survey data.

To know the current application corporate social responsibility practice of the bank as managing corporate brand, an interview with the business development managers and officers of the bank was conducted and presented. The interview questions are attached at the back.

4.1. Descriptive Analysis

4.1.1. Demographic Profile of Respondents

This section summarizes the demographic characteristics of the sample, which includes age of the respondent, gender, education level, and length of time the respondents used the banks services. The purpose of the demographic analysis in this research is to describe the characteristics of the sample such as the number of respondents, proportion of males and females in the sample, range of age, education level of respondents and how long they have used the banks service, so that the analysis could be more meaningful for readers.

Table 4.1 visualizes the demographic profile of 371 respondents. In terms of gender the numbers of male respondents are higher which is 231(62.3%) and the females are 140 (37.7 %). This indicated that the respondents are dominated by male.

Regarding the age of respondents, the sample population is largely dominated by the age group of 26-35 (45.0%) followed by the group comprised age of 36-44 (30.5%). This indicates that most of the sample populations are youngsters and Adults. The rest of the respondents, 48(12.9%) were above 45 years and the remaining 43 (11.6%) of respondents were in the Age range of 18-25 this indicates that most of the banks customers are Youngsters and adults.

In terms of education and length of time, the respondents use the bank's services, but the distribution is not equally distributed. 37.4 % of respondents have received either primary, secondary, or college diploma education, while 15.9% of the respondents are postgraduate degree holders. The largest group of the population comprises first-degree holders, which is 46.6% of the total respondents. This shows that more than 62% of the respondents are well-educated. Similarly, the majority 85.7% of the respondents have been the bank's customers for more than a year. This might be explained by the fact that a great part of the population is highly educated and this implies participants responded properly the questionnaires since they realize the objective of the questionnaire easily. Those respondents who used the bank's service for less than 3 months are only 3.2% of the population.

Table 4.1 Demographic Profile of Respondents

No.		Frequency	Percentage
1	Gender		
	Female	140	37.7
	Male	231	62.3
2	Age(in years)		
	18-25	43	11.6
	26-35	167	45.0
	36-44	113	30.5
	45 and above	48	12.9
3	Educational Level		
	Primary Education	28	7.5
	Secondary Education	43	11.6
	Diploma	68	18.3
	First Degree	173	46.6
	Masters and above	59	15.9
4	Length of time the respondents use the bank		
	Below 3 months	12	3.2
	3-6months	41	11.1
	6-9months	62	16.7
	9-12months	71	19.1
	Above 1 year	185	49.9

Source: survey data (2024)

4.1.2 Descriptive Statistics of Variables

One statistical approach for determining equivalence between groups is to use simple analyses of means and standard deviations for the variables of interest for each group in the study (Marczyk, Dematteo, Festinger, 2005). The mean indicates to what extent the sample group averagely agrees or does not agree with the different statement. The lower the mean, the more the respondents disagree with the statement. The higher the mean, the more the respondents agree with the statement. On the other hand, standard deviation shows the variability of an observed response from a single sample.

On the questionnaire, the respondents were asked to measure their level of perception about the bank’s CSR activities. The above CSR aspects from the questionnaire were analyzed at a 95% confidence interval for the mean. The mean scores of each CSR activity and customer perception were calculated as well as the mean scores of each item under these questions. On a 5-point scale, 16 different aspects of CSR were developed to measure their perception of Amhara Bank's CSR activities. The respondents were then asked to rate the bank's Economic, Legal, Ethical, and Philanthropic CSR activities on a five-point Likert scale ranging from one (strongly disagree) to five (strongly agree).

The mean score values of corporate social responsibility aspects for Amhara Bank range between 3.23(mean score value of Philanthropic CSR) with a standard deviation of 0.905 and 3.53 (mean score value of Ethical CSR) with a standard deviation of 0.816. Economic and philanthropic CSR mean score values which lie in the range between (2.70_3.49) which falls on the moderate mean section while Ethical and Legal mean scores are in the range of (3.50_4.29) which lies on High mean section. The overall CSR Mean score of the bank is 3.42, and the standard Deviation 0.78 is well above average.

Table 4.2 descriptive statistics of CSR attitude

	N	Mean	Std. Deviation
economic CSR	371	3.4323	.91050
Ethical CSR	371	3.5377	.81679
Legal CSR	371	3.5013	.91316
PHILANTHROPIC CSR	371	3.2385	.90552
CSR	371	3.4232	.78027

Source: survey result, (2024)

Table 4.3 shows that 37.5% of the respondents who answered the questions regarding CSR activities of the bank scored above the mean and the rest 62.5 % of the respondents’ answers are below the mean, this indicates most of the respondents are not aware of the bank's CSR activities.

Table 4.3 Frequency of Customers attitude towards the CSR

	Frequency	Percent
	139	37.5
Valid	232	62.5
	371	100

Source: Survey Result, 2024

Likewise, the dependent variable, the total questions regarding brand equity through its dimensions scores a mean of 3.784 and a standard deviation of 0.723 this lies in the mean score range of (3.5_4.92) which is on the High mean section. This shows respondents agree with most of the statements they have asked.

Table 4.4 Descriptive statistics of brand equity

Brand equity dimensions	Mean	Std. Deviation
Awareness	3.2891	0.84259
Image	3.5407	0.87125
Credibility	3.4798	0.85847
Feeling	4.0404	0.55542
Loyalty	4.5741	0.49054
Total	3.7848	0.72365

Source: Survey Data, 2024

4.2 Correlation Analysis

Like the demographic factors, the scale-typed questionnaire was entered into the SPSS software, to process correlation analysis to measure the strength of the association between the practice of corporate social responsibility of the bank and brand equity. Based on the questionnaire that was filled by the customers of the bank, the following correlation analysis was made.

4.2.1 Correlation Analysis between CSR Practice of the Bank and Brand Equity

Pearson correlation test was conducted to know the degree of relationship between the independent variable i.e. CSR practice of the bank and the dependent variable brand equity. The correlation analysis was used to provide evidence of convergent validity. Pearson correlation coefficients reveal the magnitude and direction of relationships (either positive or negative) and the intensity of the relationship (-1.0 to +1.0). Correlations are perhaps the basic and most useful measure of association between two or more variables ((Marczyk, Dematteo, Festinger, 2005) As per Marczyk, Dematteo, and Festinger, (2005) general guidelines correlations of 0.01 to 0.30 are considered small, correlations of 0.30 to 0.70 are considered moderate, correlations of 0.70 to 0.90 are considered large, and correlations of 0.90 to 1.00 are considered very large. Depending on this assumption, all basic constructs were included in the correlation analysis and a bivariate two-tailed correlation analysis was done.

The results of the correlation between the dependent and the independent variables are shown in Table 4.5. As indicated in the table there is a significant correlation between CSR practice and brand equity. In other words, the CSR practice of the bank and brand equity have a very strong level relationship ($r=0.834$ with $p<0.01$).

Table 4.5 Correlations between CSR and Brand Equity

Correlations			
		CSR	BRANDEQUITY
CSR	Pearson Correlation	1	.834**
	Sig. (2-tailed)		.000
	N	371	371
BRANDEQUITY	Pearson Correlation	.834**	1
	Sig. (2-tailed)	.000	
	N	371	371

** . Correlation is significant at the 0.01 level (2-tailed).

Source: survey data 2024

4.2.2 Correlation Analysis between each CSR activities and Brand Equity

As per table 4.6 the coefficients shows that the four CSR elements that that constitute CSR were all positively related with brand Equity within the range of 0.685 to 0.802, all were significant at $p < 0.01$ level. The independent variable i.e. corporate social responsibility practice of the bank show a moderate level of positive relation with the dependent variable dimensions i.e. awareness, image, credibility, feeling and loyalty of the company's brand.

As shown in the table below, the relationship between the independent and the dependent variables, clearly shows that figures with the symbol "***" indicate that CSR with individual dimensions of brand equity are significantly correlated at a significance level of $p < 0.01$. The results indicate Brand Equity significantly correlated with Philanthropic CSR at the highest rate ($r = .802$). Similarly, Brand Equity with the rest of the other CSR elements economic CSR, Ethical CSR, and Legal CSR are also significantly related with almost the same value ($r = 0.712$, $r = 0.730$, $r = 0.685$) respectively.

Table 4.6 Correlation analysis between Brand equity and CSR elements

		BRAND EQUITY	economic CSR	Ethical CSR	Legal CSR	PHILANTHROPIC CSR
BRAND EQUITY	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	371				
economic CSR	Pearson Correlation	.712**	1			
	Sig. (2-tailed)	.000				
	N	371	371			
Ethical CSR	Pearson Correlation	.730**	.737**	1		
	Sig. (2-tailed)	.000	.000			
	N	371	371	371		
Legal CSR	Pearson Correlation	.685**	.659**	.684**	1	
	Sig. (2-tailed)	.000	.000	.000		
	N	371	371	371	371	
PHILANTHROPIC CSR	Pearson Correlation	.802**	.672**	.762**	.657**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	371	371	371	371	371

** . Correlation is significant at the 0.01 level (2-tailed).

Source: survey result 2024

4.3 Regression Analysis

To see the contribution of CSR on brand equity, linear regression analysis was employed. CSR was used as the independent variable while the brand equity dimensions were used as the dependent variables. As a result, the regression analysis shows that the CSR practice of the bank has the power to explain brand equity. The regression model presents how much brand equity can be explained by the CSR practice of the bank. The model or the predictor variables have accounted for 71.8% (adjusted R square of 71.5%) with an estimated standard error of (0.310389) of the variance in the criterion variable (brand equity).

Therefore, it is pointed out that 71.8 percent of the dependent variable can be explained by the CSR practice of the bank. This means that CSR activities can account for 71.8% of the variation in brand equity. There may be many factors that can explain the variation in brand equity of Amhara Bank, but the model used in this study, which includes all the major CSR activities of the bank, can explain close to 72 % of it. In other words, 28% of the variation in brand equity of the bank cannot be explained by these questions about CSR elements and there must be other factors that influence the outcome.

Similarly, the ANOVA table shows the overall significance/acceptability of the model from a statistical perspective, see Table 4.8. As the significance value of statistics shows a value (.000), which is less than $p < 0.05$, the model is quite significant. This table t that the variation explained by the model is not due to chance. As stated earlier in this chapter, this study aims to identify the contribution of the independent variable in the prediction of the dependent variable. Thus, the strength of the predictor (independent) variable influence on the criterion (dependent) variables can be investigated via a standardized Beta coefficient. The regression coefficient explains the average amount of change in the dependent variable that is caused by a change in the independent variable. The larger the Beta Coefficient value that an independent variable has, the more it provides support to the independent variable as the more important determinant in predicting the dependent variable.

According to Table 4.9, the regression standardized coefficient for the independent variables, i.e. CSR practice of the bank is 0.834. Its significance level is 0.000 which is less than 0.05. This indicates there is a significant relationship between the independent and the dependent variables.

Table 4.7: Regression analysis result for CSR and Brand Equity

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.847 ^a	.718	.715	.31038	1.792

a. Predictors: (Constant), PHILANTHROPIC CSR, Legal CSR, economic CSR, Ethical CSR

b. Dependent Variable: BRAND EQUITY

Source: survey data 2024

Table 4.8 ANOVA result for CSR and Brand Equity

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	89.607	4	22.402	232.532	.000 ^b
	Residual	35.260	366	.096		
	Total	124.866	370			

a. Dependent Variable: BRAND EQUITY

b. Predictors: (Constant), PHILANTROPICCSR, Legal CSR, economic CSR, Ethical CSR

Source: survey data 2024

Table 4.9 Coefficients of Brand equity

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1.660	.075		22.094	.000		
	CSR	.621	.021	.834	29.007	.000	1.000	1.000

a. Dependent Variable: BRANDEQUITY

Source: survey data 2024

A good regression model must not have a strong correlation among its independent variable aspects or must not have a co-linearity problem and the value of variance inflation factor (VIF) must have a value between 1 and 10 and the tolerance level should be more than 0.2. (SPSS Inc, 2016).

Table 4.10 Regression coefficients

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.717	.075		22.977	.000
	economic CSR	.133	.028	.209	4.745	.000
	Ethical CSR	.070	.036	.098	1.971	.050
	Legal CSR	.106	.026	.167	4.050	.000
	PHILANTHROPIC CSR	.306	.029	.477	10.490	.000

a. Dependent Variable: BRANDEQUITY

Source: survey result, 2024

As shown in the table above, based on the coefficients output (co-linearity statistics), the obtained variance inflation factor (VIF) for the independent variable was found to be between 1 and 10, which means that there is no co-linearity problem. We can also use descriptive statistics to check the correlation matrix for co-linearity; that is, predictors that correlate too highly with each other. The independent variable should also show a significant relationship with the dependent variable. As shown in Table 4.6 of the correlation matrix, the above assumptions hold for both independent and dependent variables.

$$\text{Brand Equity} = 1.717 + 0.133X_1 + 0.070X_2 + 0.106X_3 + 0.306X_4$$

Where: x_1 , x_2 , x_3 , and x_4 are independent variables of the study (i.e. Economic CSR, Legal CSR, Ethical CSR and Philanthropic CSR) respectively.

4.4. Testing the Hypothesis

The proposed hypothesis of CSR's effect on brand equity was tested using linear regression method. The R-square value only indicates the variance in overall consumer brand equity as it is explained by the independent variables (CSR). However, when we see the extent to which the independent variable influences the dependent variable, it was found to be the determinant of brand equity .According to Table 4.10, the regression standardized coefficient for the dependent variables i.e. Brand equity with each Corporate social responsibility elements (economic CSR, Legal CSR, ethical CSR, and Philanthropic CSR) is 0.209, 0.098, 0.167, and 0.477 respectively. Their significance levels are 0.000, which are all less than 0.05. except Ethical CSR, which is 0.050 This indicates a significant relationship between the dependent and the independent variables in case of Ethical CSR it has no significant relation between the dependent variable. Since coefficients of the predictor variable are statistically significant at less than five percent; alternative hypotheses related to Economic CSR, Legal CSR and Philanthropic CSR, were all accepted. In case of Ethical CSR there is no sufficient evidence to accept the hypothesis.

Table 4.11 Test result of the proposed hypothesis

Hypothesis	Reason p-value of predictors at 5% of significant level	Results of finding
H1: AMHARA BANK's Economic CSR activities have a positive and significant influence on building brand equity.	$\beta = 0.133$ $p = 0.00$	H1: Accepted
H2: AMHARA BANK Legal CSR activities have a positive and significant influence on building Brand equity.	$\beta = 0.070$, $p = 0.00$	H2: Rejected
H3: AMHARA BANK Ethical CSR activities have a positive and significant influence on building Brand equity.	$\beta = 0.106$ $p = 0.05$	H3: Accepted
H4: AMHARA BANK Philanthropic CSR activities have a positive and significant influence on building Brand equity.	$\beta = 0.306$ $p = 0.00$	H4: Accepted

Source: Survey result 2024

4.5. Discussion of Major Findings

This discussion is essential to provide more clarification on the above results. This study was aimed at finding out if there is a possibility to use corporate social responsibility activities to maximize brand equity of the bank. Much of the previous literature concentrated on relating CSR and Brand Equity with the goods industry, not the service sector. So, this study confirmed to us that CSR activities can be also used to make a significant and positive influence on Banks of companies in the service sector, particularly the financial service sector in Ethiopia.

Demographic factors such as age, gender, educational level, and length of time the customer uses the bank services have been used to analyze the general demography of the respondents. According to the study findings, the CSR practice of the bank is correlated with brand equity. The correlation analysis result of the study shows that there is a significant relationship between CSR and brand equity i.e. 83.4%. Regression analysis the finding shows that 71.8% of the brand equity is accounted for CSR practice of the bank.

Different researches show that CSR has a significant effect on the company's brand equity building in developed countries (Fixcher & Fredholm, 2013) (Sharif, 2012). Judy, 2014 found that CSR is an important variable to be considered in customer loyalty, Murali (2012) in his study indicated that there is a positive relationship between CSR and customers, that the CSR variables can improve the brand preference.

The finding of this thesis also confirmed the positive relationship between CSR and brand equity. These findings may not be exhaustive of the research in this field because other factors beyond CSR may affect brand equity but it may give a fairly good picture of how CSR contributed positively for maintaining and building brand equity.

In order to assess the CSR application as managing the corporate brand of the bank, an interview with the bank's corporate social service manager and six officers was conducted. A total of 7 interview questions were asked to the division manager and its subordinates. After interview has been made regarding the CSR application of the bank, the following points are generalized.

1. How do you evaluate the CSR activities of your bank?

It is said that Amhara Bank is fulfilling its corporate social responsibilities (CSR) in various ways. In its enduring commitment to discharge social responsibilities and as part of meeting one of the Bank's strategic objectives of making business beyond financing, the Bank gave due attention and allocated resources for various corporate social responsibility activities and initiatives in this early working years. Sponsoring Anbessa City Bus tickets for all travelers in Addis Ababa and providing gifts for those who gave birth in selected hospitals across the nation on its official inauguration day, tree plantation in various places and organizing the Bank's staff to donate blood in various regions, donating funds to support public health and education infrastructure, for students who score the highest marks in the entrance exam the bank pays monthly pocket money for those students until they finish their University studies.

The bank also helps Orphans, the Elderly, and disabled, supporting victims of natural disasters and war, and other humanitarian causes. Additionally, Amhara Bank is a member of some organizations that have a professional or business connection with the bank, and have social and community implications. Like football Amhara Bank also sponsors nationally or internationally organized events that help build the country's image, were some of the few worth mentioning corporate social responsibility activities undertaken in the period. As a follow-up of the Bank's long-term aspiration of creating a sustainable partnership with the community, the Bank has already commenced conducting a thorough assessment to identify the priority areas that should be addressed in the forthcoming period, and which will also enable the Bank to efficiently and effectively design, implement and manage all the initiatives meant to embed its engagement with the communities in the future though the main objective is to obtain maximum promotional value. However, some people believe that the bank's efforts are not solely focused on helping society. As a responsible corporate citizen, Amhara Banks is planning to develop more impactful ways to support the community in an organized manner.

2. Does the bank see its CSR activities from the customer's point of view?

These days, international business organizations are using CSR activities as a promotional mechanism. The more business entities support the society and care for the environment there is a good chance of attracting more customers and retaining existing ones. Bearing in mind the power of doing well, there is a tendency to promote the company's good deeds.

However, in Amhara Bank's case, CSR is not assumed as a means to attract customers. Rather the support the bank has been providing to society is the fundamental purpose of the bank's organization. It is reported on annual reports and publicized to the public via media outlets. Thus, it can be said that the CSR activities of the bank have never aimed to attract customers. But, nowadays it seems that the bank understands the value of publicizing its good deeds. Though the bank does not directly target immediate response from customers, publicizing CSR is considered crucial.

3. Do you think customers consider CSR activities to choose your bank?

Based on the feedback from the majority of the respondents, it appears that the lack of awareness concerning a bank's Corporate Social Responsibility (CSR) activities has resulted in customers not considering them as a critical factor when selecting a financial institution. The respondents believed that the failure to publicize these initiatives is the primary reason for the loss of business belonging to specific groups, such as individuals who are environmentally conscious and value corporate citizenship.

4. How do you publicize the CSR activities of the bank?

As per the majority of the respondents' feedback, currently, the bank primarily utilizes its official website, Facebook, Telegram, Television and radio programs to promote its CSR initiatives. Additionally, the bank ensures that all of its employees are informed of every CSR activity to help them understand the significance of CSR and communicate it to the public. Furthermore, during special occasions related to donations, there was an opportunity to use local media coverage.

5. Does the bank have a separate allocation of funds for CSR implementation?

As per the responses obtained, it appears that the bank designates a specific division and budget for corporate social Affairs. It is the bank's strategic objective to make business beyond financing, which means corporate social responsibility is the major strategic objective of the Bank. The majority of the respondents hold the opinion that enhancing the budget allocation for corporate social responsibility (CSR) activities could lead to the intended outcomes. Thus, it seems that greater investment in CSR activities by the bank could be a meaningful measure to achieve its goals.

6. What are the bank's criteria for choosing CSR activities?

According to the interviewers' findings, the bank does not currently engage in the direct implementation of corporate social responsibility (CSR) projects. Instead, it offers assistance to several social, humanitarian, and environmental organizations. Most respondents stated that donations are typically made in response to requests from these organizations, after a careful review process.

7. Are there clearly defined policies and procedures to apply CSR?

The feedback obtained from a majority of respondents suggests that Corporate Social Responsibility (CSR) is currently being treated by a strategic division called Corporate Social Services which is a separate division led by a chief corporate social service officer and implementing a comprehensive CSR policy, guidelines, and procedures. Moreover, they emphasized that the approach is expected to enhance the bank's overall CSR strategy and ensure that it is viewed as a full-fledged guideline, thereby promoting consistency and clarity in the implementation of CSR practices.

CHAPTER FIVE

CONCLUSION AND RECOMMENDATIONS

5.1. Conclusion

Based on specific objectives and major findings of the study the researcher illustrated the following conclusions;

The results show that CSR practices of the bank are significantly related to brand equity (71.8%) and individual CSR elements (Economic CSR 71.2%, Legal CSR 68.5%, Ethical CSR 73.0%, and Philanthropic CSR 80.2%). While the correlation between Philanthropic CSR and brand equity is slightly higher than others, philanthropic CSR seems to have the most significant impact on brand credibility.

The regression analysis found that the CSR practices of the bank explain close to 72% of the variation in brand equity. The proposed hypotheses through their dimensions were also tested by the linear regression model (beta coefficients), where alternative hypotheses related to Economic CSR, Legal CSR, Ethical CSR, and Philanthropic CSR, were all accepted except Legal CSR.

Despite Amhara Bank's considerable value to the community and society, the bank's CSR activities were not aimed at attracting customers it is the bank's strategic objective to make business beyond financing However, it is believed that the inability to publicize these activities leads to losing some groups of society such as environmentally conscious people and corporate citizens. Currently, the bank is using its website, Facebook, and Telegram pages to publicize its CSR activities, creating opportunities to attract more customers and retain existing ones, thus having a significant impact on the bank's brand.

In addition, the bank's CSR practices are part of a strategic management process, and there is a division that specifies general CSR areas and selection criteria. The division has its own Guidelines, policies, and rules.

Amhara Bank has been demonstrating strong leadership in Corporate Social Responsibility (CSR) initiatives, contributing considerably to social and environmental CSR practices in the country.

However, despite its significant CSR efforts, the bank has not been publicizing its good deeds for the community and society at large. This lack of publicity may have led to a loss of customers who value corporate citizenship and environmental consciousness. According to this study, most of Amhara Bank's customers are not aware of its CSR activities only 37.5% of the banks customer aware of it. To attract and retain customers, the bank must publicize its CSR activities, which would help improve its brand equity. The bank is now realizing the importance of publicizing its CSR activities and has started to do so through its website and social media channels. This is a positive step that could help create a better brand image for the bank. In conclusion, Amhara Bank's CSR practices have been commendable, but the lack of publicity has been a significant hindrance. With the new initiatives that the bank has taken, it's expected that it will attract more customers and retain existing ones, which will have a positive impact on its brand equity.

5.2 Recommendations

From the study findings the following recommendations are recommended

For Amhara Bank

- ✚ The study found that the four corporate social responsibility elements namely Economic CSR, Legal CSR, Ethical CSR, and Philanthropic CSR activities had significant effect on building the Brand equity of the Bank.
- ✚ The bank should work to create common understanding through different workshops or other ways among its employees on CSR activities of the bank.
- ✚ As different literatures support, practicing CSR activities as competitive strategy, the bank should continue working on different CSR activities to improve its brand equity r ways among its employees on CSR activities of the bank.
- ✚ Ethical CSR activities such as accepting and respecting societal norms and values also improve the brand equity of the bank, so the bank should work on it clearly by identifying what is accepted as wrong and right in society and make its employees respect society's ethics.
- ✚ Practicing CSR activities is long term investment by which organizations get buy-in from its customers and employees. Therefore, the bank should continue working on the four dimensions of the CSR, i.e. economic CSR, Legal CSR, Ethical CSR and Philanthropic CSR.

- ✚ The bank should implement a proactive strategy to publicize its CSR activities through various media outlets to communicate its commitment to social responsibility.
- ✚ It is recommended that the separate corporate social service division of the Bank must give more focus and an organized approach towards identifying, planning, and executing various social and environmental CSR projects it also has to monitor and measure the effectiveness of the company's social responsibility efforts, and in communicating these efforts to stakeholders. The bank can ensure that its efforts are aligned with its values and goals and the impact of its initiatives is maximized.
- ✚ Social and humanitarian organizations that have been evaluated by the bank. Nonetheless, the bank could also consider actively seeking out potential areas that could benefit from donations. This proactive approach would allow the bank to enhance its contribution to corporate social responsibility initiatives, while also bringing greater recognition to its endeavors among society as a whole.

5.3. Suggestion for Further Studies

- The study revealed a correlation between Corporate Social Responsibility (CSR) and brand equity. However, the study's focus was limited to the bank's benefit, and it did not consider the impact of CSR on society and the environment. A more comprehensive understanding of the relationship between CSR and brand equity necessitates an expansion of the study to include other types of CSR initiatives. Such an approach would provide a more nuanced perspective on the subject. In particular, the study should focus on strategic CSR initiatives that aim to create shared value for both the company and the community, rather than merely philanthropic CSR activities.
- To render the research more comprehensive, it is recommended that socio-demographic aspects be taken into account when investigating the connection between Corporate Social Responsibility (CSR) and brand equity. This can be accomplished by expanding the sample size and incorporating individuals from diverse backgrounds and regions across the country. Such an approach would enable us to gain a more intricate understanding of how CSR initiatives impact different groups of people and move towards a more sustainable future that benefits one and all.

- To advance the understanding of the impact of CSR activities on society and the environment, it is necessary to conduct further research that digs deeper into the effects of CSR initiatives on communities and the environment. This will help provide a comprehensive understanding of the impact of CSR on all stakeholders, including customers, employees, and the wider community. By analyzing the bank's CSR practices and their impact on the community and the environment, it can identify ways to improve the effectiveness of CSR initiatives in promoting the well-being of all stakeholders.

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ANNEX - I

**THE EFFECT OF CORPORATE SOCIAL
RESPONSIBILITY**

ON BUILDING BRAND EQUITY

(Questionnaire to be filled by consumers)

Dear Participant,

I am graduate student at Hawassa University, school of Accounting and Economics. Currently, I am undertaking a research to identify “**THE EFFECT OF CORPORATE SOCIAL RESPONSIBILITY ON BUILDING BRAND EQUITY: A CASE STUDY OF AMHARA BANK**”.

Corporate social responsibility (CSR): “A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis.

As a customer of Amhara Bank, your participation in this study will be valuable and greatly appreciated. The information you provide will be used only for the purpose of the study
INSTRUCTIONS: The questionnaires contain statements about brand equity and its dimension and CSR activities. Please read each statement carefully and decide the answer that you will give.

Thank you in advance for your kind cooperation!

Zinash Moges
Tel+251911113632

Part 1: General Profile (please put a „√“ mark on the box that best describes you)

1. Age:

18 – 25 26 – 35 36 – 44 45 and

2. Gender: Male Female

3. Highest education obtained:

Primary education Secondary education Diploma

First Degree Masters and above

4. How long you have used the bank service?

Below 3 month 3-6 months 6-9 months 9=12 months above 1 years

5. Income Level

0-2000 birr 2001-25000 birr 25001-50000 birr

50001-100000 above 100000 birr

Part Two: Research Related Questions:

The Following Questions are presented on a five point Likert Scale. If the item strongly matches with your response choose 5 (strongly agree), if you moderately agree on the idea choose 4 (Agree), if you can't decide on the point choose 3 (neutral), if you dissatisfied with the idea choose 2 (Disagree), and if you completely dissatisfied with the point choose 1(Strongly disagree).

The purpose of this questionnaire is to give you a chance to tell how you feel about your present job, what things you are satisfied with & what things you are not satisfied with.

Remember: Keep the statement in mind when deciding how satisfied you feel about the aspect of your job. Do this for all statements. Please answer every item. Be frank and honest. Give a true picture of your feelings about your present job.

I. : Questionnaires designed based on Customers perception towards the bank’s CSR activity

Please answer the following questions putting “√” in the cell that express your perception about CSR activity of the bank.

Explanation: 5= strongly Agree 4= Agree 3=Neutral 2= Disagree 1=strongly disagree

	Items	1	2	3	4	5
	Economic CSR					
1	I perceive AMHARA BANK cares for the environmental protection activities(e.g. green initiative programs)					
2.	Amhara Bank extends its financial support to humanitarian and/or charity organizations.					
3.	Amhara Bank provides funds for health projects (e.g. construction of health centers)					
4.	Amhara Bank provides funds for educational programs (e.g. school construction and supply of school materials)					
5.	This company is concerned with improving the general well-being of the Society.					
	Ethical CSR					
1.	This company behaves ethically and honestly with its customers					
2.	This company gives service equally without any discrimination by race and gender					
3.	The bank pays the best salary for its workers.					
4.	The bank provides diversity training to hiring employees					
	Legal CSR					
1.	The company gives services that meet legal requirements.					
2.	The bank protects its employees from abuses and is treated fairly.					
3	The environment is not affected by the company's operation					
	Philanthropic CSR					
1	The Bank Sponsors fundraising events that are important to the local community					
2.	The bank actively participates in and supports voluntary activities like tree plantation.					
3.	Amhara Bank responds to natural and human-made disasters (e.g. providing food and shelter for victims of drought)					
4	The bank also helps Orphans, the Elderly, and disabled					

II: Questions regarding Brand Equity Dimensions

Please put “√” mark on the appropriate box provided that most describe your feeling.

Explanation: 5= strongly Agree 4= Agree 3=Neutral 2= Disagree 1=strongly

disagree AMHARA BANAK= Commercial Bank of Ethiopia

Items		1	2	3	4	5
Brand awareness						
1.	I remember Amhara Bank when I think of using a bank.					
2.	I can recognize the bank among competing brands.					
3.	I can quickly recall the symbol of logo of the bank.					
4.	I have no difficulty in imagining the company’s brand.					
Brand image						
5.	I perceive the bank as a good company.					
6.	Amhara Bank is famous and well known by its service quality.					
7.	I think Amhara Bank has a unique brand image.					
8.	Amhara Bank is believable and has good image.					
9.	Using Amhara Bank gives me social approval.					
Brand credibility						
10.	The bank behaves ethically and honestly with its customers.					
11.	I feel secured in my transaction with the bank.					
12.	The bank is reliable in keeping its promise.					
13.	I have confidence in the bank’s service.					
14.	Amhara Bank is honest organization for the customers.					
Brand feeling						
15.	I have a positive attitude towards the bank.					
16.	Using AMHARA BANAK among others make me feel good.					
17.	Using AMHARA BANAK gives me pleasure.					
18.	I feel comfortable being a customer of the bank.					
Brand loyalty						
19.	The bank is my first choice compared to other bank.					
20.	I’m willing to go further distance to get Amhara Bank Kservice.					
21.	I will continue to be a customer of the bank.					
22.	I wouldn’t give up being a customer even if competitors come up With a better offer.					
23.	I would recommend to my friends and acquaintances.					

INTERVIEW QUESTIONS

1. How do you evaluate the CSR activities of your bank?
2. Does the bank see its CSR activities from customer's point of view?
3. Do you think customers consider CSR activities to choose your bank?
4. How do you publicize the CSR activities of the bank?
5. Does the bank have a separate allocation of funds for CSR implementation?
6. What are the bank's criteria to choose CSR activities?
7. Are there a clearly defined policies and procedures to apply CSR?